

provide access to health care for the millions of Americans without health insurance.

Sincerely,

GEORGE W. BUSH

NOTE: Identical letters were sent to Thomas A. Daschle, Senate minority leader, and Richard A. Gephardt, House minority leader.

Remarks on Transmitting the Tax Relief Plan to the Congress *February 8, 2001*

Thank you very much for that warm welcome. It's good to see so many friends here in the Rose Garden. This is our first event in this beautiful spot, and it's appropriate we talk about policy that will affect people's lives in a positive way in such a beautiful, beautiful part of our national—really, our National Park System, I guess, as you'd want to call it.

This is the land of economic miracles, and we are experiencing one here in our country. Latino businesses are growing faster than the Government can count. Back in 1997 there were 1.4 million Latino-owned businesses. Since then, the number has been growing by an estimated 25 percent. No one is entirely sure of the total. Your success has left all statistics behind, and America is better off for it.

The businesses you have built prove the continuing power of the American ideal, a promise of advancement to men and women of every background. This country appreciates you. We appreciate your vision, your hard work. And I congratulate you for your success.

To succeed, Latino-owned businesses need the same things all businesses need: moderate regulation, a sensible legal system, and a growing economy. For several months, however, our economic growth has been in doubt. And now, it may be in danger.

Americans are hearing, and some feeling, the economic slowdown. Americans hear about the news—many are beginning to actually feel what it means to be in an eco-

nomic slowdown. Consumer confidence has slumped. Many business leaders are worried. A warning light is flashing on the dashboard of our economy. And we just can't drive on and hope for the best. We must act without delay.

My job is to lead. A President should not wait on events; he must try to shape them. And the warning signs are clear. All of us here in Washington, the President and the Congress, are responsible to confront the danger of an economic slowdown and to blunt its effects.

Today I am sending to Congress my plan to provide relief to all income-tax payers, which I believe will help jump-start the American economy. We must give over-charged taxpayers some of their own money back. We must give low-income families fairer treatment. We must give small businesses a better chance to grow and to hire. For all these reasons, I urge Congress to help me strengthen our economy by lightening the tax load, the tax burden on the American people.

Here's how my tax relief plan will work. We will simplify our Tax Code, reducing today's five brackets to four lower ones: 10 percent, 15 percent, 25 percent, and 33 percent. Families with children will also receive a tax credit of \$1,000 per child. We will end the death tax, reduce the marriage penalty, and expand tax incentives for charitable giving.

My plan is directed toward individuals and small businesses. It offers relief for everyone who pays income taxes, and it keeps

our national commitments to Social Security and debt reduction. These are the details. But it is the results that will matter most.

If we pass this tax relief plan in a timely manner, three important things will happen: First, we will return \$1,600 to the typical American family with two children. Working families earning between \$35,000 and \$75,000 will keep anywhere from \$600 to \$3,000 more each year. With this tax relief, families can save or pay off debt or pay for higher energy bills. This \$1,600 is good for a family. Multiplied by millions of families, it is good for our Nation's economy. It means greater demand for your goods and your services at a time when demand may be slowing. I'm committed to accelerating economic growth. Lower interest rates will certainly help, but they need to be reinforced with tax relief as well.

There is talk in Congress of bringing this relief even quicker by making it retroactive to the beginning of this year. I strongly support that idea. We need tax relief now. In fact, we need tax relief yesterday. And I will work with Congress to provide it.

Our economy faces this challenge: Investors and consumers have too little money, and the U.S. Treasury is holding too much. The Federal Government is simply pulling too much money out of the private economy, and this is a drag on our growth.

Over the past 6 years, the Federal share of our GDP has risen from 18 percent to 21 percent, about as much as our Government took during World War II. President John Kennedy faced a similar situation in the 1960s. He warned then against storing up dollars in Washington by taking away more than the Government needed to pay its necessary expenses. "High tax rates," he said, and I quote, "are no longer necessary. They are, in fact, harmful. These high tax rates do not leave enough money in private hands to keep this country's economy growing and healthy."

Forty years later our Treasury is full, and our people are overcharged. Returning some of their money is right, and it is urgent.

The second effect of my plan is to substantially reduce the tax barriers that bar too many Americans from the middle class. Our new 10 percent rate, along with the child credit, will cut Federal marginal tax rates by 40 percent on many struggling taxpayers.

I've talked about this problem for over a year, and I'll talk about it until we fix it. Under current law, say, a waitress who's working hard to get ahead—and she may have two children—earning \$25,000 a year, faces a higher marginal tax rate than a successful lawyer earning 10 times as much. That is not right, and that is not fair. The Government would take from her nearly one-half of every extra dollar she earns. Her hardest hours are taxed at the highest rates.

Today, tax codes are sending—our Tax Code sends this message to this woman: Stay where you are; you'll never get ahead. But that is not the message of America, as far as I'm concerned. And it must not be the message of our Tax Code. Our tax system must reward the dreams of a better life.

My plan dramatically reduces the marginal rate on many low-income earners, rewarding overtime or a hard-won raise, encouraging Americans on their path to the middle class. Six million families, one out of every five families with children, will no longer pay Federal income taxes at all under our plan.

This country has prospered mightily over the last 20 years. But a lot of folks feel as if they've been looking at somebody else's party, that they've been looking from the outside. It's time to open the door and welcome everyone in.

And finally, this tax relief plan will be good not just for the short-term needs of our country and for our economy but for the long-term health of our Nation. Every

big business began as a small business. Many of the great companies of our time were founded when the maximum tax rate on small businesses was only 28 percent. Today, many small businesses are paying a tax rate as high as 40 percent. Thousands of sole proprietors, people with dreams, pay high, high rates. That's not how one encourages innovation or job creation or expansion.

My tax relief plan reduces the marginal rates that many small businesses pay. We want you to have a fighting chance in a difficult economy. We also want people to have more funds to reinvest and to grow their businesses. We want to make sure that the next generation of success stories continues far into the future. I hope all of you will help me in this task. We have

minds to change, and we've got some laws to pass. Our course is set, and I believe our case is strong.

This week I've been meeting with Americans of all backgrounds—young families, leaders of large companies, entrepreneurs, single moms. All are worried about the direction of our economy. All are agreed that action is needed. And today I'm acting, for your sake.

I urge the Congress to pass my tax relief plan with the swiftness these uncertain times demand. I will now sign a letter of transmittal and soon hope I'll be signing the needed tax relief.

Thank you for coming.

NOTE: The President spoke at 10:15 a.m. in the Rose Garden at the White House.

Message to the Congress Transmitting the Tax Relief Plan *February 8, 2001*

To the Congress of the United States:

Enclosed please find my plan to provide needed tax relief to the American people. Over the last several months, the economy has slowed dramatically. I believe that the best way to ensure that our prosperity continues is to put more money in the hands of consumers and entrepreneurs as soon

as possible. I look forward to working with the Congress to enact meaningful tax cuts into law.

GEORGE W. BUSH

The White House,
February 8, 2001.

Remarks at the Swearing-In Ceremony for Norman Y. Mineta as Secretary of Transportation *February 8, 2001*

Good afternoon to you all. Thank you all for coming. Norm, welcome back to the White House. Usually at events like this, a new Secretary is joining the Cabinet. This time a new Cabinet is joining the Secretary. I'm pleased that you're back. I'm glad that your wife is with us. I'm going to welcome

your family members to the Oval Office. Thank you all for coming.

For 21 years, Norm Mineta represented the Silicon Valley in the United States Congress. He understands the great challenges taking place in the economic life of our country. He has an understanding of the